

SEEM  C

FOR OUR SUPPLIERS



SEEMC

Global Resources. Innovative Solutions. Passionate Service.



– SEEMAC –

A Supplier's Best Sales Partner

- ④ Our financial strength means higher profitability for our suppliers. We purchase products from our suppliers as soon as they are shipped.
- ④ A knowledgeable and experienced wood products sales team market your products nationwide.
- ④ We have built a comprehensive network of loyal customers.
- ④ Worldwide resources and strategic alliances with value-added suppliers, including laminators, fabricators, finishers and warehouse and logistics providers.
- ④ A one-supplier-per-product approach with each customer—we are loyal and committed to our suppliers.



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– SEEMAC –

A Supplier's Best Sales Partner

- Our experienced sales team can serve as your complete sales force or can compliment your existing team.
- Superior service—Our goal is to proactively provide information and solutions to suppliers and customers.
- Capital employed in inventory and accounts receivable and all credit risk with customers – SEEMAC's cost and risk, not our suppliers'.
- Willingness to openly discuss SEEMAC's margin needs on each program.



The Realities of Sales Cost (and the Rules When Outsourcing It)

Competitive Sales Price

– **Field Sales Expense** (either yours*, ours, or yours and ours combined)

Net Mill Price

*As your sales fluctuate, your fixed field sales cost as a percentage of sales also fluctuates. However, your field sales cost with SEEMAC is a fixed percentage of sales (we only get paid when we sell something for you).

What SEEMAC and our supplier want to avoid is duplication:

- It confuses the customer
- It adds cost



The Realities of Sales Cost (and the Rules When Outsourcing It)

What SEEMAC should require from our supplier:

- ① If SEEMAC is fulfilling its obligations to our supplier, then our supplier agrees to support SEEMAC as our supplier's field sales partner with agreed upon, assigned industrial customers.
- ① In this partnership, customers are buying direct from our supplier with our supplier outsourcing their field sales cost, their A/R cost, and their credit risk to SEEMAC.



The Realities of Sales Cost (and the Rules When Outsourcing It)

What our supplier should require from SEEMAC:

- ① SEEMAC only represents this one supplier at all agreed upon industrial customers unless our supplier and SEEMAC jointly agree to allow SEEMAC to sell another manufacturer's product to that assigned customer
- ② SEEMAC generates an agreed upon share of the available business, in an agreed upon time, at the assigned customer
- ③ SEEMAC generates the business with industrial customers at a competitive market based selling price with SEEMAC earning a reasonable margin



Supply Chain Management

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- ⊙ In this partnership, customers are buying direct from our supplier with our supplier outsourcing their field sales cost, their A/R cost, and their credit risk to SEEMAC.



SEEMAC's

Low-Cost “Virtual” Warehouse Model

- ① We hold the inventory, pay our suppliers when the inventory ships and charge our customers when they use the product.
- ① No brick and mortar or leased facilities. Only public warehouses or consignment locations used.
- ① Flexibility to move in and out of locations and up or down in inventory.
- ① Inventory dedicated to a single customer at a location close to that customer or inside his facility with multiple shipments per day.
- ① Inventory is SEEMAC's #1 investment priority to help suppliers and customers who have many other investment needs and priorities



SEEMAC's Strong Group of Value-added Suppliers

We put all the pieces together for our suppliers and customers. We coordinate:

- ④ Ocean freight
- ④ Container shipping and stripping
- ④ Rail, truck and intermodal shipments
- ④ Reloading, warehousing, delivery



SEEMAC

Strong Group of Value-Add Suppliers

- ① Strategic partnerships established with laminators, painters, fabricators, pre-finishers, component part producers, and warehouse and logistics providers.
- ① SEEMAC does not have the scale or manufacturing expertise to be a low-cost producer in these value-added services
- ① SEEMAC often owns the raw materials used by value-add suppliers and only pays for valued-added services (to keep cost low)



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